GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:3503
ANSWERED ON:19.08.2003
COTTAGE INDUSTRIES
T.T.V. DHINAKARAN

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether the Union Government are aware of the fact that the cottage industries are facing stiff competition from the Multinational companies since the latter have begun making products like papad, pickle, etc. traditionally made by cottage industries;

(b) if so, the facts thereof;

(c) whether the Union Government would consider to reserve such traditional products for the cottage industries and protect them;

(d) if so, the details thereof;

(e) if not, the reasons therefor; and

(f) the steps taken so far to provide competitive edge for cottage industries in the changed scenario of market?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF AGRO AND RURAL INDUSTRIES (SHRI SANGHPRIYA GAUTAM)

(a) to (f): With the globalisation of the Indian economy, the industries in the country, including cottage and rural industries, are facing greater competition in the market. The strategy of the Government is to strengthen the cottage and rural industry sector to enable it to remain competitive in the market led economy and generate additional jobs. While, pickle and chutney units have been reserved for exclusive manufacture in the Small Scale Sector, the Government has announced a Khadi Package on 14.05.2001, whichseeks to provide a competitive edge for cottage and rural industries in the changed market scenario. The Package is under different stages of implementation and inter-alia, consist of creation of packaging and design facilities, measures to promote marketing, brand building, cluster development etc.